



**BlueCross BlueShield
Association**

An Association of Independent
Blue Cross and Blue Shield Plans

Via E-Mail

May 26, 2004

Mr. Marc R. Benioff
Chairman and CEO
President's Information Technology Advisory Committee
pitac-comments@nitrd.gov

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Dear Mr. Benioff:

The Blue Cross Blue Shield Association (BCBSA) supports the Subcommittee on Health and Information Technology (HIT) recommendation to further study and reassess the cost-benefit of the planned conversion of diagnosis and procedure coding requirements from ICD-9-CM to ICD-10-CM, as compared to the potential alternative of moving directly to reporting diagnoses and procedures coded for clinical purposes in SNOMED CT.

A cost-benefit analysis of ICD-10-CM/PCS commissioned by the Blue Cross Blue Shield Association and prepared by Robert E. Nolan Company projected the cost of implementing the new code sets to be as high as \$14 billion with no proven benefits. In fact, the report states "based on our research, it is our opinion that the vast majority of benefits asserted by proponents cannot be achieved by a conversion to ICD-10-CM or ICD-10-PCS without first implementing a standard clinical vocabulary."

In light of this analysis, we are pleased with the Subcommittee's recommendation and encourage a specific study before the Department of Health and Human Services proceeds with drafting ICD-10-CM/PCS regulations.

BCBSA supports widespread adoption of interoperable information technology systems among providers, payers and consumers to improve quality and patient safety, promote evidence-based medicine and encourage greater efficiencies within the health care system. With rising health care costs and the growing number of uninsured Americans, it is essential that we spend our health care dollars wisely. Further study of ICD-10 is required to ensure the most cost effective and efficient approach to health care information technology. Thank you for your consideration.

Sincerely,

Alissa Fox
Executive Director, Policy
Office of Policy and Representation